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**Transportation Committee**

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**HB 1798**

**Brief Description:** Recovering costs for motorist information signs.

**Sponsors:** Representatives Simpson, Skinner, Lovick, Armstrong, B. Sullivan, Schindler, Upthegrove, Murray and Hudgins.

**Brief Summary of Bill**

- Requires the Washington State Department of Transportation (WSDOT) to charge reasonable fees to recover their costs for erecting and maintaining motorist information sign panels on Interstate highways.
- Repeals the current law requiring the WSDOT to contract out the motorist information sign program.

**Hearing Date:** 2/16/05

**Staff:** Jay Alexander (786-7339).

**Background:**

The WSDOT is authorized to erect and maintain motorist information sign panels within the right of way of the highway system in order to provide the traveling public with information regarding gas, food, lodging, and tourist-related businesses available at or near an interchange. The WSDOT is required to charge reasonable fees to defray the cost of installing and maintaining the individual business signs on the motorist information panels. However, the WSDOT is not required to recover their costs for erecting and maintaining the information sign panels.

During the 2002 legislative session, a bill was enacted requiring the WSDOT to contract with a private contractor to administer the motorist information sign panel program. Under this law, the contractor would be solely responsible for the marketing, administration, financial management, sign fabrication, installation and maintenance of the information sign panels. In addition, the contractor was authorized to set the market rate to be charged to business advertising on the information sign panels. Prior to this change, the WSDOT was charging \$100 per year for a business to advertise on a panel located on the interstate. This rate did not recover the entire cost to do the work. In states where a private contractor runs the motorist information sign panel program, fees to participating businesses range from \$650 to \$4,600 per year.

In November 2003, the WSDOT released a request for proposal to potential vendors. In mid-December, the Washington Federation of State Employees sought an injunction against the

WSDOT awarding a contract for this program, arguing the changes to the program constituted an impairment of the union's contract. The courts granted the injunction until the case is decided.

In the 2004 transportation budget, the WSDOT was given authorization to restart the program and run it through June 2005. As part of the budget, the legislature specifically authorized the WSDOT to revise the fee schedules for the program in order to recover the costs of the program, subject to legislatively imposed maximum rates.

**Summary of Bill:**

WSDOT is required to charge reasonable fees to recover their costs for erecting and maintaining motorist information sign panels on the Interstate Highway System.

The current law requiring the WSDOT to contract out the motorist information sign program is repealed.

**Appropriation:** None.

**Fiscal Note:** Requested on February 14, 2005.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.